

Sanitized Copy Approved for Release 2011/06/01 : CIA-RDP81-00280R001300070029-1

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorised person is prohibited by law.

C-O-N-F-I-D-E-N-T-I-A-L NOFORN

50X1-HUM

COUNTRY China REPORT

SUBJECT Economic Conditions in Swatow DATE DISTR. 2 October 19,6

NO. MAGES 2

REQUIREMENT NO.

DATE OF INFO.

PLACE & DATE ACQ.

SOURCE EVALUATIONS ARE DEFINITIVE. APPRESSAL OF CONTENT IS TENTATIVE.

- the Swatow city market did not have sufficient stock to satisfy the demand of the Swatow citizens for goods with which to celebrate a local festival. Pork and soybean curd, for example, were sold out before 1000 hours of the first day.
- 2. In addition to grains and textile materials, pork was rationed in Swatow. Each person was allowed 0.15 year worth of pork every ten days. If a person did not claim his ration within the ten-day time limit, he was not allowed to make up list loss on the next purchase. Chinese toilet paper was limited to three sheets a month for a woman, two sheets a month for a man, one and one-half sheets for a child, and one and one-half sheets for an old woman. Fish was also rationed. All of the larger fish were being saved for the army and the civilian population received only the smaller leftovers. Lines sometimes three blocks long formed in front of the fish stores.
- 3. As a result of criticism from overseas Chinese who had visited Swatow, the Swatow government arrested and moved to an unknown area an estimated 3,000 beggars. The Swatow government also encouraged the local population to change the style and appearance of their clothing. Although the citizens were limited to a certain number of textile coupons per person per year, the government said that in certain circumstances, applications could be made to the state-owned textile mills for extra ration. Application procedures for extra textiles were made quite simple. Female civil service workers were encouraged to wear skirts.
- With the exception of sedans used by foreign specialists and a few military trucks, very few motor vehicles were seen around Swatow. Buses for longer trips were old and broken. The buses used for short trips used charcoal for fuel. Buses travellist from Swatow to Canton were very crowded and some passengers were able to purchase tickets only as far as Huiyang (N 23-05, E 114-26). These crowded conditions were a result of the many overseas Chinese returning to their overseas homes and the many Swatow students returning to school in Canton.

C-O-N-F-I-D-E-N-T-I-A-L NOFORN

| STATE | X ARMY | X MAYY | XAIR | X FBI | AEC | | \neg |
|--------------|--------------------|-------------------------|--------------------|--------------|-----|------------|--------|
| | | | | | | 50X1-HUI | |
| (Note: Washi | ngton distribution | n indicated by "X"; Fie | ld distribution by | <u>"#".)</u> | | 5UX1-HUIVI | |

| 50 | IX 1 | I _ I | н | 11 | RЛ |
|----|------|-------|---|----|----|
| | | | | | |

| C | -0-X | _F | -I- | -D- | K-N | -T | -I | ~ | -L |
|---|------|----|-----|-----|-----|----|----|---|----|
| | | | NC | FO | RI | | | | |

-2-

- 5. Judging from the situation in Swatow, the electricity generated by the power plant located in the vicinity of the Huilanch'iao (1697/2936/2890) was not sufficient for the needs of Swatow. In late August, a new generator was being installed in Tachiao (1129/3330) haiang in the outskirts of Swatow. The newer power station was to be larger than the old and was to supply enough electricity for the entire Swatow area. It was rumored in Swatow that the operation of the Huilanch'iao plant was to be suspended and the plant dismantled for shipment to some other area.

 50X1-HUM
- being appraised by the government. After appraising the value of the house, the government arranged to pay rental to the owner. After the government had paid a total rent to the owner equivalent to the total assessed amount of the house, the government assumed ownership. For example, if a house was appraised at 10,000 yuan and rental set at 100 yuan a month, at the end of one hundred months, the house belonged to the government. After the government assumed ownership of the property, it had the right to force the residents to move out or to have them pay rent. This system had been enforced for several months along the following streets of Swatow: Chung Shan (0022/1472) Road¹, Hsin Ma Lu (2450/7456/6424), and Shao Shang (4801/0794) Road. It was rumored that houses along Shao Shang Road would all be government owned within two years.
- 7. A campaign was being held in Swatow to persuade "underground agents" to surrender. Slogans were posted everywhere in Swatow stating that those who surrendered would be treated with leniency. As a result, two people, WANG Nan-ch'ang (3769/0589/2490) and an unknown person, confessed to crimes before the security authorities. WANG was later given a job in the local government and was charged with the responsibility of urging other people to confess. A third person who refused to confess was arrested by the security forces. One YEH (5509) or FANG (2455), who was a returned overseas Chinese, was sentenced to eight years in prison for having expressed dissatisfaction with the Chinese Communist government. It was also rumored that four overseas Chinese recently returned from Hong Kong were arrested by the Public Security Bureau.
 - 1. Comment. Chung Shan Road was also know as Wai Ma Lu (1120/7456/6424) and Chung Cheng (0022/2973) Road. 50X1-HUM

C-O-N-F-I-D-E-N-T-I-A-L NOFORN